



U.S. Immigration  
and Customs  
Enforcement

# News Release

January 25, 2005

**ICE SEIZES U.S. OIL COMPANY AND ITS 43 WELLS; CONFISCATES  
NUMEROUS EUROPEAN TRUSTS IN ONGOING MONEY LAUNDERING PROBE  
-- More Than \$70 Million Worth of Assets Seized To Date in "Operation Cash Extraction"--**

MIAMI, FLA – U.S. Immigration and Customs Enforcement (ICE) Special Agent-in-Charge for Miami, Jesus Torres, and Col. Rick Ramsay, Under Sheriff of the Monroe County Sheriff's Office, today announced the seizure of a U.S. oil company and its 43 oil wells in Pennsylvania, as well as numerous trusts and bank accounts in Europe. The assets are valued at roughly \$6.5 million, bringing the total amount seized in this ongoing money laundering investigation to more than \$70 million.



On January 21, 2005, ICE agents seized Shaboom Oil Inc., headquartered in Phoenix, Arizona. Among the Shaboom Oil assets forfeited to ICE were 43 operating oil wells and the mineral rights to approximately 1,100 acres of land in the Allegheny National Forest in northwest Pennsylvania. A Panama-based company called Shaboom Investments Inc, owns Shaboom Oil. ICE agents have seized all ownership shares in Shaboom Investments Inc. ICE will work with U.S. Customs & Border Protection to manage to the seized company.

In the principality of Monaco, ICE agents have also seized assets affiliated with Yately Investments Ltd, including bank accounts at Merrill Lynch and HSBC Republic Bank in Monaco, as well as assets affiliated with the Children's Assistance Trust; Broadhurst Development Corp.; Quantum Endowment Fund NV; Quantum Industrial Holdings Ltd; Asian Infrastructure Development Holdings Ltd.; Dolphin Fund PLC, and an account at Barclay's Bank PLC in Monaco under the name of Quadrangle Nominees Ltd.

Investigators from ICE and the Monroe County Sheriff's Office located and targeted these assets after a long-term money laundering probe determined that the assets had been purchased with illegal drug proceeds. Federal courts in the Southern District of Florida affirmed that the assets had been purchased with illicit monies and ordered them forfeited to the U.S. government. In total, ICE and the Monroe County Sheriff's Office have seized and forfeited more than \$70 million as part of this ongoing investigation.

The impetus for the investigation was **Paul Edward Hindelang**, who operated one of the nation's largest marijuana smuggling operations in the late 1970s. In 1981, Hindelang pled guilty to importing roughly 250 tons of marijuana, and conspiring to import an additional 150,000 pounds of marijuana into Florida, Louisiana, and other U.S. locations. As part of his plea agreement, Hindelang agreed to forfeit \$640,000 to U.S. authorities, asserting this amount represented all his illegally-earned assets.

Several years later, ICE agents learned that Hindelang had hidden away millions of dollars worth of drug funds in overseas accounts. Working together with the Monroe County Sheriff's Office, ICE launched "Operation Cash Extraction" in 1992 to track down Hindelang's hidden funds. After years of investigative work, agents found many of his assets in a maze of offshore accounts and corporations in Switzerland, Panama, the Turks & Caicos Islands, the Netherlands Antilles, the Cayman Islands, and other locations.

In late 1997, Hindelang was confronted with this evidence and admitted that he had previously turned over control of his drug fortune to a Costa Rican man who acted as his nominee in Switzerland. ICE agents also learned that the nominee had moved these funds from Switzerland to locations around the globe. In 1998, ICE agents seized \$50 million from accounts tied to Hindelang. Under the federal asset-sharing program, ICE later turned over half this amount to the Monroe County Sheriff's Office for its crucial role in the investigation.

ICE agents continued their search and, in 1999, located additional drug proceeds in bank accounts in the Channel Islands (in Jersey and Guernsey) and invested in a property in Colorado. ICE agents launched forfeiture proceedings and were ultimately able to recover approximately \$15 million in assets that constituted illicit proceeds of drug sales.

Last year, further investigation by ICE and the Monroe County Sheriff's Office turned up an additional \$6.5 million worth of illicit assets in Monaco and the United States. In September 2004, a federal judge in Miami ordered these assets forfeited to the U.S. Government. Late last week, ICE agents served the judge's order on Shaboom Oil Inc. in Arizona and took over the firm. The investigation into Hindelang's drug funds continues.

"Like no other case in recent memory, this investigation demonstrates our perseverance in tracking down the ill-gotten gains of international crime lords," said ICE Special Agent-in-Charge Torres. "The ICE agents and Monroe County Sheriff's deputies who jointly worked this investigation deserve a special debt of gratitude for their tenacious pursuit. No matter how well-concealed, dirty money is always vulnerable to seizure when you have this group of investigators on the case."

Monroe County Under Sheriff Ramsay stated: "Monroe County Sheriff's Inspector Charles Visco participated in the investigation leading to the seizure of Shaboom Oil in PA. The seizure consisted of 43 wells valued at approximately one million dollars. This seizure is part of a forfeiture out of Monaco which is estimated at \$6.5 million dollars. Inspector Visco has participated in this long-term investigation known as Operation Cash Extraction. This investigation has been a joint operation with U.S. Immigration and Customs Enforcement and the Monroe County Sheriff's Office/HIDTA initiative. This successful joint investigation has continued to yield forfeitures directly related to the profits from drug trafficking."

**#ICE#**

***U.S. Immigration and Customs Enforcement is the largest investigative arm of the Department of Homeland Security***